

**STATE BOARD OF FINANCE**  
**November 13, 2018 – 1:00 PM**  
**Summary Minutes**

**Location:**

Via videoconference at the following locations:

Old Assembly Chambers	Governor's Office Conference Room
Capitol Building, Second Floor	555 E Washington Avenue, Suite 5100
101 N. Carson Street	Las Vegas, NV 89101
Carson City, NV 89701	

Governor Sandoval called the meeting to order at 1:00 P.M.

**Board members present:**

Governor Brian Sandoval – Carson City  
Treasurer Dan Schwartz – Las Vegas  
Teresa Courier – Carson City  
Brian Sagert – Las Vegas  
Controller Knecht – Carson City

**Others present:**

Tara Hagan – Chief Deputy Treasurer  
Dennis Belcourt – Deputy Attorney General  
Treasurer-Elect Zach Conine  
Grant Hewitt – State Treasurer Chief of Staff

**Agenda Item 1 – Public Comment.**

No public comment in Carson City or Las Vegas.

**Agenda Item 2 – For discussion and possible action** – Approval of the Board of Finance minutes from the meeting held on October 9, 2018.

Controller Knecht moved to approve the minutes. Teresa Courier seconded the motion. Motion passed unanimously. Brian Sagert abstained due to the fact he was not present at the meeting on October 9, 2018.

**Agenda Item 3 – For discussion and possible action:** Discussion and possible action (a) regarding the State Treasurer's quarterly investment report for the quarter ended September 30, 2018 and (b) to approve or disapprove the Treasurer's investment policies for the General Portfolio and the Local Government Investment Pool (LGIP).

Tara Hagan presented the quarterly investment report for the quarter ending September 30, 2018 stating that the performance of the General portfolio and Local Government portfolio both continue to trend upward based on two primary factors. She noted that one factor is the monetary policy of the Federal Open Market Committee (FOMC) which has increased Federal fund rates

eight times since December 2015. This increase in rates has assisted the Treasurer's Office internal investment portfolio which invests in shorter duration maturities. Ms. Hagan also noted that the continued flattening of the US Treasury yield curve, particularly the difference between the 2-year Treasury and 10-year Treasury has also assisted the shorter maturities in the portfolio. She stated that as of September 30, 2018 the yield on the portion of the General Portfolio managed in-house was 2.252% and a three-month average of the benchmark for the period was 1.73%. As of September 30, 2018, the LGIP's portfolio yield was 2.25% and the blended benchmark was 2.24%. Ms. Hagan reminded the Board that the outside managers manage longer duration securities with an average maturity of 3-5-years, in addition to the majority of the corporate notes.

Governor Sandoval thanked Ms. Hagan for all her hard work over the years and stated that she was a credit to the State.

Controller Knecht asked why the yield on the benchmarks for the outside managers differ, since we use the same benchmark for each manager. Ms. Hagan stated that it is simply because they started managing money at different times. Controller Knecht then thanked the entire Treasurer's team for doing an outstanding job the last four years.

Treasurer Schwartz thanked Ms. Hagan and Ms. Shafer for their knowledge and making good decisions with the market and choice of managers over the last four years.

Brian Sagert moved to approve Agenda Item 3. Controller Knecht seconded the motion. Motion passed unanimously.

**Agenda Item 4** - Board Members' comments, including discussion of future agenda items and status of past, present and future projects or other matters within the Board's jurisdiction.

Treasurer Schwartz thanked Governor Sandoval and members of the Board stating that he has enjoyed serving over the past four years and is pleased with the accomplishments the Board has made to the State of Nevada.

Controller Knecht thanked the Board and Governor and stated it has been a privilege serving the State of Nevada over the last four years.

Governor Sandoval stated that it has been a great honor and pleasure to serve with the Board over the last eight years and he is so proud of all the refinancing of the Bonds that have saved the tax payers of the state millions of dollars. He thanked all the Treasurer's Staff for the amount of money they have generated for the state and their hard work and dedication.

**Agenda Item 5 – Public Comment**

No public comment in Carson City or Las Vegas.

Meeting adjourned at 1:26 P.M.